

TOWN OF TRUMBULL, CONNECTICUT
TAX ABATEMENT PROGRAM DESCRIPTION

MINIMUM REQUIREMENTS:

An applicant for participation in the Trumbull Assessment Fixing Program shall submit within one(1) year from the effective date of this ordinance a letter of request for such a tax incentive to the first selectman which shall disclose the names and addresses of all principals of the applicant and further must show said applicant's qualifications and financial responsibility to prosecute said project and that it meets the following minimum eligibility requirements, to wit:

- 1) a) A \$15,000,000.00 (Fifteen Million) investment in new construction excluding the costs of real property acquisition and/or
 b) \$5,000,000.00 (Five Million) investment in rehabilitation of an existing otherwise qualified development, which investment shall be excluding the cost of purchase of said existing real property.
- 2) Demonstrate an expectation that said project will create 4 (four) new permanent full-time jobs for each \$1,000,000.00 (One Million) of investment.
- 3) In no event may the property which shall be covered by the assessment fixing agreement be allowed to pay less taxes under the program and agreement than was paid in the tax year immediately preceding the approval and execution of said agreement and provided, further, that said assessment fixing program and agreement shall only apply to the real estate taxes. Business personal property taxes and any other business permit, licensing, etc., fees are not covered by this agreement and shall not be abated.
- 4) The project shall further be defined as being a property and/or group of adjacent properties for which an applicant: (1) has a plan of development compatible with the Trumbull Master Plan; (2) can show ownership or an option to own the property (ies) to accomplish the goals of the project plan; and (3) can meet the time schedule requirements set forth hereinafter.
- 5) Construction shall commence within twelve (12) months of execution of the agreement and must be completed within twenty-four months after receipt of approval of all required local, state and federal agencies, boards and commissions. The Assessment Fixing Screening Committee may recommend an extension of these terms upon the affirmative vote of two-thirds (2/3) of its membership after reviewing an application for same as submitted by said applicant with all relevant appropriate supporting information only if said Committee shall affirmatively find that said applicant exercises due diligence in promptly filing and prosecuting all required applications and construction procedures and processes.
- 6) The project, business or lessee granted said assessment fixing must remain in the Town of Trumbull for a minimum period of seven (7) years after issuance of the certificate of occupancy for said use; provided, however, that if said project, business or lessee shall fail to maintain its full operations including a minimum of four (4) new permanent full time employees for each \$1,000,000.00 (One Million) of investment as stipulated in the

aforementioned Section 2 in said Town for the aforesaid seven (7) year period, said applicant shall be liable to the Town for the full amount of any real estate taxes which have been abated hereunder and, to this end, the applicant and Town shall execute a Note of Granting of said Assessment Fixing Agreement which shall be recorded in the Trumbull land records under the name of the owner of the real estate and/or the lessor/less of said business on which said business is conducted.

- 7) Any business and/or project for which an agreement has been entered into under this assessment fixing program ordinance shall not be subject to assignment, transfer and/or sale. In the event it shall be found that an assignment, transfer and/or sale has, in fact, occurred then and in that event this agreement shall terminate effective on the date of the assignment, transfer and/or sale and full amount of the tax that would otherwise be due to the Town of Trumbull shall immediately become due and payable and shall remain as a lien against the subject premises until paid in full together with any outstanding interest and/or lien fees applicable thereto.
- 8) No application for participation in this program shall be accepted for any construction project which has commenced or for which an application is pending before any town agency prior to the effective date.

ABATEMENT SCHEDULE:

- A) The abatement of tax for an investment of not less than \$15,000,000.00 (Fifteen Million) shall be fore seven (7) years as follows:
 - 1) Seventy (70%) per cent during year one, and
 - 2) Sixty (60%) per cent during year two, and
 - 3) Fifty (50%) per cent during year three, and
 - 4) Forty (40%) per cent during year four, and
 - 5) Thirty (30%) per cent during year five, and
 - 6) Twenty (20%) per cent during year six, and
 - 7) Ten (10%) per cent during year seven.
- B) The abatement of tax for an investment of not less than \$5,000,000.00 (Five Million) but less than \$15,000,000.00 (Fifteen Million) shall be fore 3 (three) years as follow:
 - 1) Thirty (30%) per cent during year one; and
 - 2) Twenty (20%) per cent during year two and
 - 3) Ten (10%) per cent during year three

SCREENING COMMITTEE STRUCTURE AND APPROVAL PROCESS:

- A) A Tax Partnership Screening Committee shall be established which shall consist of the following:
 - 1) Three (3) members of the Trumbull Town council who shall be appointed by the Chairman of the Town Council; and

- 2) Two (2) members of the Economic Development Commission who shall be appointed by the Chairman of said Economic Development commission; and
 - 3) The Director of Finance, Tax Assessor and First Selectman who shall serve as ex-officio members serving without voting privileges.
- B) The Tax Partnership Screening Committee shall subject all requests for assistance under this ordinance to an economic pro forma analysis that will include but not be limited to a consideration of the following factors: average construction costs of like structures, interest rates, vacancy and absorption rates, developer fees, market rents and pricing, comparable tax liabilities within the region, returns on cash and equity, and such additional costs as may be associated with the development. All projects receiving such assistance under this ordinance shall comply with a public benefits test which shall include local land use and building regulation. The Committee shall establish policies that consider such other public benefits/costs as, but not to be limited to: parking impact, job generation, design standards, neighborhood impact, public service demand, and consistency with the Town's adopted plan of development or other area specific development plans.
- C) The Committee shall review the application to determine if it conforms to and complies with the terms and conditions of this ordinance and any other reasonable term or requirement which may be imposed by the committee. The Tax Partnership Screening Committee upon the majority vote of its voting membership shall issue a report to the Town Council which report shall specifically include an enumeration of the findings by said Committee relative to the factors required to be reviewed by said Committee recommending such project for abatement. An affirmative vote of the Town council shall be required to accept said project.